



U.S. Immigration  
and Customs  
Enforcement

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# News Release

## **PAKISTANI BUSINESSMAN INDICTED FOR TRAFFICKING NUCLEAR DETONATORS AND TESTING EQUIPMENT**

**- South African Conspirator Also Pleads Guilty in Scheme to Export Nuclear Items to Pakistan -**

WASHINGTON, D.C. – United States Attorney Kenneth Wainstein, Acting Assistant Secretary of Commerce Wendy L. Wysong, Department of Homeland Security Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE) Michael J. Garcia, and Assistant Director Michael Mason of the Federal Bureau of Investigation, announced that a federal grand jury in the District of Columbia has returned an indictment charging **Humayun A. Khan**, 47, of Islamabad, Pakistan, with conspiring to violate and, on three separate occasions, violating U.S. export restrictions on commodities that are controlled for nuclear non-proliferation reasons.

In particular, the indictment alleges that Khan violated the federal conspiracy statute, 18 U.S.C. Section 371, and the International Emergency Economic Powers Act (“IEEPA”), 50 USC Sections 1701-1706. If convicted, Khan faces a maximum period of incarceration of 35 years under the statute and a likely range of 78 to 97 months in prison under the federal sentencing guidelines.

Today, federal authorities also announced the unsealing of a guilty plea of **Asher Karni**, 51, an Israeli national residing in Cape Town, South Africa, before his arrest in 2004, to a five-count Information charging him with conspiracy and export violations arising out of his unlawful exports to Pakistan and India of U.S. origin commodities that are controlled for nuclear non-proliferation reasons.

“The U.S. Government will spare no effort to disrupt the illegal trade in technology with nuclear applications,” said Kenneth L. Wainstein, United States Attorney for the District of Columbia. “As demonstrated by the multi-agency investigative effort in this case, all of our law enforcement components stand ready to take action against those nuclear black marketers who would jeopardize global security in pursuit of personal profit.

Michael J. Garcia, Homeland Security Assistant Secretary for ICE, said, “The proliferation of nuclear components is not only a homeland security threat, but a global threat. This case in particular raised serious concerns. The technology involved, the destination of these goods, and the clear efforts to disguise the trail of the shipments raised the stakes even higher.”

“Countering nuclear proliferation is a top priority of the Commerce Department’s export control enforcement efforts, said Wendy L. Wysong, Acting Assistant Secretary of Commerce for Export Enforcement. “This wide-ranging and thorough investigation and prosecution highlights both the Department’s ability to use our unique knowledge to bring those who enable the spread of nuclear weapons related technology to justice, and the partnership between the Commerce Department and industry to keep the most sensitive U.S. commodities out of the most dangerous hands.”

According to an indictment returned on Wednesday of this week, Khan is the owner and chief executive officer of an Islamabad, Pakistan, known as **Pakland PME Corporation** (“Pakland”). Sometime around August 2002, he approached Asher Karni, an Israeli then residing in Cape Town, South Africa, and inquired whether Karni could help him acquire certain models of oscilloscopes manufactured by Tektronix, Inc. (“Tektronix”) of Beaverton, Oregon.

### **Oscilloscopes**

Because these particular models of oscilloscopes have applications in the testing and development of nuclear weapons and missile delivery systems, the Department of Commerce requires anyone seeking to export them to certain countries, including Pakistan, to obtain a license. Khan, who was an authorized distributor for Tektronix in Pakistan, was well aware of the licensing requirement.

Karni was the owner of a firm in Cape Town, South Africa, known as **Top-Cape Technology** (“Top-Cape”). He agreed to assist Khan in obtaining the Tektronix oscilloscopes, even though Khan told him that they were subject to U.S. export controls and warned him not to disclose the true destination of the products.

In March 2003, Karni obtained one of the models of controlled oscilloscopes from a firm in Plainview, New York. He directed that the firm send the oscilloscopes to Top-Cape in Cape Town, South Africa. Shortly after its arrival in South Africa, Karni re-exported the product to a company in Pakistan that Khan had designated. At no time during this transaction did either Karni or Khan obtain a license from the Department of Commerce in the District of Columbia for this export to Pakistan.

In August 2003, Karni acquired two additional controlled Tektronix oscilloscopes in the United States and diverted them to a Khan customer in Pakistan through South Africa without obtaining the necessary license. In addition, throughout 2003, Karni and Khan worked to fill a \$1.3 million order for controlled Tektronix oscilloscopes for a third Khan client in Pakistan.

### **Triggered Spark Gaps**

In June 2003, Khan sent an e-mail to Karni asking him to purchase triggered spark gaps for a customer in Pakistan. Triggered spark gaps are high-speed electrical switches that are often used in a medical device known as a lithotripter, which doctors utilize in treating kidney stones. Triggered spark gaps also have military applications. On such application is as a detonator for nuclear weapons. Accordingly, the Department of Commerce controls the export of triggered spark gaps to certain countries, including Pakistan, for nuclear non-proliferation reasons. Exports of triggered spark gaps to South Africa, unlike Pakistan, are not controlled.

The triggered spark gaps that Khan sought were manufactured by Perkin Elmer Optoelectronics of Salem, Massachusetts (“Perkin Elmer”). At Khan’s direction, Karni first made inquiries of Perkin Elmer’s French sales representative. The sales representative quoted Karni a price, but also advised him that the spark gaps

required a U.S. export license and that Karni needed to certify both that the product would remain in South Africa and that it would not be used for any nuclear purposes. Karni forwarded this information to Khan and initially declined to pursue the order. Khan, however, prevailed upon Karni to continue to find a source for the triggered spark gaps.

In July 2003, an anonymous source informed agents of the Office of Export Enforcement of the Department of Commerce (“OEE”) and agents of U.S. Immigration and Customs Enforcement (“ICE”) of the Department of Homeland Security, that Karni was in the process of using a broker in Secaucus, New Jersey, to obtain 200 Perkin Elmer triggered spark gaps for ultimate shipment to Pakistan through South Africa.

The agents approached Perkin Elmer, which agreed to cooperate in the investigation and to render inoperable the triggered spark gaps that the New Jersey broker was in the process of ordering. In October 2003, the OEE and ICE agents were able to track the first installment of 66 triggered spark gaps as the package traveled from the United States to Top-Cape in South Africa and then on to Pakistan through the United Arab Emirates.

As a result of outstanding cooperation between U.S. and South African law enforcement agencies, a key break in the investigation came on December 11, 2003. On that date, OEE and ICE agents searched the offices in New Jersey of the broker that Karni was using to acquire the triggered spark gaps. Simultaneously, in coordination with U.S. authorities, members of the South African Police Service executed a search warrant at Karni’s office in Cape Town, South Africa, which led to the seizure of e-mails and documents that furthered this investigation.

On January 1, 2004, ICE agents arrested Karni as he attempted to enter the United States at Denver International Airport. On September 14, 2004, he pleaded guilty under seal to five federal felonies, including conspiracy to export controlled nuclear technology items to Pakistan. He also agreed to cooperation with the ongoing investigation.

In announcing this week’s indictment and unsealing of Asher Karni’s guilty plea, U.S. Attorney Wainstein, Acting Assistant Secretary Wysong, Assistant Secretary Garcia, and Assistant Director Mason praised the superb investigative work of OEE Special Agents James Brigham and David Poole, ICE Special Agents William Argue and Ronald Branch, and FBI Special Agent Russell Nimmo.

They would also like to express their strong appreciation to Christopher Macadam of the National Prosecuting Authority of South Africa, Superintendent Jan de Lange and Captain Benjamin Nel of the South African Police Service, and D.J. van Beek of the South African Department of Trade and Industry. They also commended Assistant U.S. Attorney Jay Bratt, who is prosecuting the case, and Legal Assistant Cheryl Simms, who has provided outstanding support throughout the investigation.

An indictment is merely a formal way of bringing charges against an individual. All persons charged with a crime are presumed innocent until proven guilty.

# ICE #

*U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.*